

EXHIBIT A

TRACKING SERVICES AGREEMENT

This Agreement is entered into this 3rd day of April, 1997, by and between **SAFECO SELECT INSURANCE SERVICES**, having its Administrative offices at: 2677 North Main Street, Suite #600, Santa Ana, California 92705, hereinafter referred to as "**SAFECO SELECT**," and **FIFTH THIRD BANK**, having its Administrative offices at Fifth Third Center, Cincinnati, OH 45263, hereinafter referred to as "**LENDER**."

WHEREAS, SAFECO SELECT is engaged in the business of providing financial institutions with an Insurance Tracking Service, which includes an automated insurance follow-up, a coverage verification system, and a comprehensive forced order physical loss indemnity protection plan; and

WHEREAS, such administrative services as provided by SAFECO SELECT are supported by underwriting contracts with the SAFECO Insurance Group or other mutually agreed upon insurance carrier, and such data processing facilities as can be reasonably expected to provide the expertise and physical capabilities necessary to fulfill the obligations assumed hereunder; and

WHEREAS, LENDER is desirous of having SAFECO SELECT provide it such administrative services and indemnity against physical loss as herein outlined and defined as coming within the operational scope of SAFECO SELECT and as may be supplemented by addenda made a part hereof;

NOW, THEREFORE, IT IS MUTUALLY UNDERSTOOD AND AGREED:

1. **INSURANCE TRACKING SYSTEM:**

SAFECO SELECT will administer on behalf of LENDER an automated insurance follow-up program, subject to the conditions and operational procedures as may be herein outlined, attached by addendum, or mutually agreed upon in writing. It is understood and agreed that certain operational procedures are subject to change and/or modification in order to establish more effective liaison and/or compatibility with LENDER's operational procedure and/or data processing capabilities, and any such changes and/or modifications shall be deemed advantageous or necessary in the performance and fulfillment of the intent and purpose of this Agreement, subject to terms and conditions of Section 4 herein.

2. **INSURANCE TRACKING PROCESS:**

SAFECO SELECT shall cause to be issued such contracts of insurance (master policies, certificates, binders and/or policies) as necessary to effectuate the insurance and indemnity provisions of Section 2.b., it being agreed that any such contracts of insurance so issued shall be underwritten on forms which are mutually acceptable to LENDER and the issuing insurer.

- a. As part of its Hazard Insurance Tracking Service, SAFECO SELECT shall establish programs, systems and procedures for tracking loans where required insurance is scheduled and the borrower has not renewed such insurance, or the insurer has delivered notice to LENDER or SAFECO SELECT that such insurance is scheduled to expire or be canceled. SAFECO SELECT shall:
 - (1) Handle all correspondence from insurers under required insurance policies regarding non-renewals and cancellations of such policies.
 - (2) Notify borrowers of non renewals or cancellations of required insurance.
 - (3) Monitor reinstatement by borrowers of required insurance.
 - b. In the event individual borrower(s) identified in the Eligible Loan categories of Section 4.f.(2) fail(s) to provide such insurance as is required under the terms and conditions of mortgage and/or security agreements with LENDER, SAFECO SELECT shall issue a certificate or a policy of insurance to protect the insurable interest which LENDER may possess by virtue of a legally enforceable security instrument, subject to the limits and conditions of the master policy.
3. **TRANSFER OF INFORMATION:**

LENDER will, in consideration of SAFECO SELECT assuming the administration of insurance verification and follow-up on property loans falling within the scope of this Agreement and agreeing to provide indemnification to LENDER to the extent of its insurable interest in the event of a loss, provide such cooperation and physical support as may be reasonably necessary to effect transfer of insurance administration to SAFECO SELECT within a mutually acceptable time frame and continue such cooperation as may be required by the terms and conditions of Paragraph 4 herein during the term of this Agreement.

SAFECO SELECT will in consideration of any action taken under Section 13, of this Agreement, provide such cooperation and physical support as may be reasonably necessary to effect the transfer of insurance administration including the complete database information as described in Section 13.g. from SAFECO SELECT to LENDER or to another vendor in SAFECO SELECT's format within a mutually acceptable time at no extra charge. If this information is required in a format other than SAFECO SELECT's format, or another standard format supported by SAFECO SELECT that does not require programing activity, SAFECO SELECT will endeavor to provide this information and shall be reimbursed for expenses incurred for creating and furnishing said information at its prevailing rates.

4. **OPERATION PROCEDURE:**

In order to effectuate the purpose of this Agreement, LENDER and SAFECO SELECT do hereby agree on the following operational procedures and acknowledge individual and/or mutual responsibilities applicable thereto:

- a. Operational procedures necessary to effect a timely and orderly transfer of insurance administration from LENDER to SAFECO SELECT shall be activated as soon as practicable after the acceptance of this Agreement.
- b. Basic operating procedures have been agreed upon. These operating procedures or any amendments necessary to implement or establish an effective working relationship between LENDER and SAFECO SELECT and/or the respective data processing services of each are specified in Schedule A attached hereto. These procedures may be set out or modified from time to time with mutual agreement and shall be in writing.
- c. The transfer of insurance administration and records between LENDER and SAFECO SELECT shall be effected on an agreed upon time schedule. In the event LENDER has more than one business location or branch, such locations shall be identified by name, address, or number, and scheduled for conversion to the program by agreement between LENDER and SAFECO SELECT.
- d. SAFECO SELECT may elect to audit the insurance records and/or exposures of the loan categories covered by this Agreement prior to, or during the course of converting LENDER and/or branches to the program. LENDER will lend such assistance and cooperation as may be deemed necessary in the conduct of any such audit in order to assure the completion thereof in a timely and orderly manner. Information learned during an audit shall be subject to the confidentiality provisions of this agreement.
- e. The term "audit" as used herein, shall mean:
 - (1) The physical examination of such insurance follow-up systems and insurance records, as have been and are in current usage of LENDER, prior to and during the course of conversion to the program.
 - (2) The physical examination of individual loan or mortgage records to verify any subject matter directly relating to insurance or insurability on properties.
 - (3) The review of any master insurer's agreement to which LENDER has become a party; and

- (4) The review of any contract of insurance such as, but not limited to, Mortgage Impairment, Errors and Omissions and Financial Institutions Bond, in which benefits inure to the interest of LENDER in the event of an otherwise uninsured loss.

f. Special conditions or exceptions made a part hereof at inception of Agreement:

- (1) **CONDITION A:** LENDER shall remit to SAFECO SELECT, payment for all force placed hazard insurance within 30 days of LENDER's receipt of SAFECO SELECT's request for payment. It shall be deemed that LENDER has waived coverage as may be provided by the master policy on any properties for which the premiums are not remitted.
- (2) **CONDITION B:** In addition to the terms and conditions set out in the master policy, it is agreed that only such loan categories and/or property as are specifically described in Schedule B attached hereto shall be subject to the terms and conditions of this Agreement.

5. **MAINTENANCE OF RECORDS:**

SAFECO SELECT shall maintain accurate, orderly and complete records of a borrower's insurance history and permit LENDER and or regulators having jurisdiction over LENDER, at all reasonable times, to make examination of all records relating to such insurance history and such other SAFECO SELECT books and records as may be relative thereto.

6. **CONFIDENTIALITY OF RECORDS:**

Any and all information, oral or written, received by SAFECO SELECT pursuant to this Agreement concerning LENDER, LENDER's affiliates, LENDER's relationships with other vendors, mortgagors, mortgagors' names and addresses, accounts and accounts' histories, mortgages and mortgage-related documents, mortgaged properties, insurance policies, and related books and records shall be deemed to be confidential and proprietary information belonging to LENDER (collectively "Confidential Information"). Information shall be deemed "Confidential Information" whether or not it is received directly from LENDER or from another source, whether or not it is marked "confidential" or "proprietary" or otherwise identified as such, and whether or not the information is related to the services rendered by SAFECO SELECT under the contract.

SAFECO SELECT shall at all times hold all Confidential Information in strict confidence and shall not, during or after the term or termination of this Agreement, use, disclose, or communicate any such information for any purpose except as necessary for SAFECO SELECT's performance of this Agreement or as required by a regulatory body. SAFECO SELECT shall take reasonable precautions to prevent the

breach of this section by any person who controls, is controlled by, or is under common control with SAFECO SELECT, including its employees and agents.

SAFECO SELECT shall promptly upon its receipt, forward to LENDER any and all Confidential Information that is not related to SAFECO SELECT's performance under this Agreement. Upon termination, SAFECO SELECT shall promptly return to Lender all Confidential Information, including all copies, excerpts, and derivations, in whatever tangible form it may then be held. SAFECO SELECT shall identify for lender, and only after receiving LENDER's written consent shall destroy, any Confidential Information that is not returned to LENDER for any reason.

7. **PROTECTION OF RECORDS:**

SAFECO SELECT shall maintain properly supervised and protected facilities for the storage and utilization of documents, computer tapes, microfilm records and all other data and information necessary in the performance of this Agreement. Copies of such records or information as may be necessary to assure the reconstruction and the uninterrupted continuation of SAFECO SELECT's service in the event of accidental destruction or disaster at the operational location shall be maintained at another location separated from the operation location by such distance as SAFECO SELECT may deem reasonably necessary to protect such records in the event of earthquake or other common disaster.

8. **INSURANCE TRACKING FEE:**

- a. SAFECO SELECT hereby agrees that a fee or fees as specified in Schedule C attached hereto and incorporated herein be charged for services agreed to herein and that the costs and expenses incurred by SAFECO SELECT in carrying out the purposes and intents of this Agreement shall be the sole responsibility of SAFECO SELECT.
- b. If during the term of the Agreement, LENDER requests additional services or programs, then the LENDER and SAFECO SELECT shall agree upon additional fees for such services prior to SAFECO SELECT providing the additional services.
- c. If there is an increase in postage costs, SAFECO SELECT and LENDER shall agree upon a fee increase limited to the actual additional costs equivalent to the increase in costs.
- d. In the event that there is an increase in external costs that are beyond the control of either party to this Agreement, SAFECO SELECT shall provide LENDER with written notice of its intent to increase fees in an amount not to exceed the

amount of the increase in external costs. LENDER may either agree to the fee increase or may, at their discretion, elect to perform the services themselves.

9. **SEVERABILITY OF INTEREST:**

It is understood and agreed that the obligations assumed by SAFECO SELECT, under the terms and conditions of this Agreement, are in the capacity of an independent contractor, and nothing contained herein shall be construed to create the relationship of employer and employee, partner or joint venture, between SAFECO SELECT and LENDER.

10. **CONTRACTS OF INSURANCE:**

The terms of the contracts of insurance (i.e. master policies, certificates, binders, and/or policies) provided to effectuate the insurance and indemnity provisions of Section 2.b., are not controlled or modified by this agreement.

11. **CONDUCT OF BUSINESS ACTIVITY:**

In the performance of its service to LENDER, SAFECO SELECT will, at all times, conduct its activities in such an ethical and professional manner, as can reasonably be expected to maintain effective and proper public relations.

SAFECO SELECT has the power and authority to execute, deliver, perform, and to enter into and consummate all transactions contemplated by this Agreement which are in the ordinary course of business.

SAFECO SELECT shall, in the performance of its service to LENDER, represent and covenant that it has and will maintain all required registrations, licenses, qualifications, staff and equipment necessary to perform under the Agreement. SAFECO SELECT will issue all disclosures, materials, and required notices approved by the lender applicable to force-order insurance placement. SAFECO SELECT will conduct its business in a legal, proper, and prudent manner as is customary in the industry.

Each party is charged with the responsibility for complying with all federal, state and local statutes, ordinances, regulations and rules, applicable to its operations which relate to the subject matter of this Agreement. Failure to comply may be viewed by the other party as a material breach of the Agreement.

12. **INDEMNITY AGREEMENT:**

SAFECO SELECT shall indemnify and hold harmless LENDER and its subsidiaries and affiliates from, against, and in respect of any and all liabilities, claims, demands, actions, costs, debts, and direct damages, including reasonable attorney's fees,

(collectively "Indemnity Claims"), that LENDER and its subsidiaries and affiliates may incur or suffer, arising out of and directly in connection with SAFECO SELECT's willful or negligent failure to perform its obligations under this Agreement. Notwithstanding anything herein to the contrary, SAFECO SELECT shall not be liable in any manner whatsoever for any lost profits or consequential damages.

LENDER shall indemnify and hold harmless SAFECO SELECT and the COMPANY from, against, and in respect of any and all Indemnity Claims, that SAFECO SELECT or the COMPANY may incur or suffer, arising out of and directly in connection with LENDER's willful or negligent failure to perform its obligations under this Agreement. Notwithstanding anything herein to the contrary, LENDER shall not be liable in any manner whatsoever for any lost profits or consequential damages.

In any Indemnity Claims by one party against the other, if the claiming party's acts or omissions constituted a material factor with respect thereto, the principles of comparative negligence shall apply and the extent of the indemnification shall be reduced accordingly.

13. **TERM AND TERMINATION:**

- a. This Agreement shall have an initial minimum term of three (3) years, commencing on the date of this Agreement. The term shall be automatically renewed thereafter for successive one (1) year periods, unless either party shall provide to the other no less than three (3) months advance written notice of the intention to terminate this Agreement as of the end of said minimum or extended term.
- b. This Agreement may be terminated by either party, at any time, giving to the other prior written notice stating when, not less than 120 days thereafter, such termination shall be effective, provided, however, this Agreement has been in effect for at least three (3) years from the inception date hereof prior to such termination.
- c. The three-year restriction contained in Section 13.a. shall not apply, and this Agreement may be terminated at any time with 120 days notice, under any of the following conditions:
 - (1) By SAFECO SELECT in the event that LENDER is acquired by a party not subject to this Agreement;
 - (2) By SAFECO SELECT in the event of federal or state regulatory action which SAFECO SELECT, in its sole discretion, determines will adversely impact its provision of tracking services or its forced order physical loss indemnity protection program or any part thereof;

- (3) By either party in the event of material breach of this Agreement by the other party, including, but not limited to, failure to provide accurate information or pay amounts due in the manner provided herein, or failure to comply with the Operational Procedures, or failure to perform its duties in a workmanlike fashion, and the party in breach fails to correct the deficiency within sixty (60) days of written notification by the other party. If the cause of breach is cured within sixty (60) days, then this Agreement shall continue in effect. If not cured to the terminating party's reasonable satisfaction, then termination shall become effective immediately with no further action required;
- (4) By the LENDER with the option to terminate this agreement within the three (3) year contract term, in the event of an acquisition of the LENDER or all or substantially all of LENDER'S servicing portfolio by another entity and the servicing, tracking and force order activities are converted to the other entity's existing systems.

If the contract is terminated by the LENDER for the reason stated in this section 13b(4), the termination penalty to be paid by the LENDER, is as follows:

if terminated within the first 12 months - \$289,774;
if terminated in months 13, 14, or 15 - \$171,321;
if terminated in months 16, 17, or 18 - \$152,869;
if terminated in months 19, 20, or 21 - \$134,416;
if terminated in months 22, 23, or 24 - \$115,963;
if terminated in months 25 through 30 - \$57,982;

There will be no termination penalty payable by the LENDER if termination occurs after the first 30 months of this Agreement;

- (5) Failure of the parties to reach an agreement as to a fee increase under Section 8.a. of this Agreement.
- d. Termination of the SAFECO insurance policy or policies by LENDER or the insurance carrier, except for the purpose of concurrently replacing the insurance carrier with a carrier mutually acceptable to LENDER and SAFECO SELECT, shall be deemed to be a concurrent termination of this Agreement. Under such conditions, the notice requirements of Sections 13.b. and 13.c. do not apply. This provision shall not be deemed to limit the responsibility of LENDER to maintain the SAFECO insurance as provided herein, or its liability to SAFECO SELECT for failure to do so.

- c. In the event of termination of this Agreement by either party hereto, coverage as provided under individual certificates issued in accordance with the terms of a master policy may remain in force until normal expiration of the certificates, or such certificates may be canceled in accordance with the terms and conditions contained therein. Such other coverages as are provided herein or in a master policy which inure to the interest of LENDER only shall be canceled concurrently with the termination of this Agreement, provided, however, all losses occurring on or prior to the termination date shall be adjusted in accordance with the terms and conditions of the master policy.
- f. During the 120-day period following the notice of termination of this Agreement, SAFECO SELECT will continue the insurance follow-up program under the terms and conditions of the Agreement for those with an uninsured date prior to the effective date of cancellation of the master policy. LENDER will have the obligation to acknowledge all premium statements rendered by SAFECO SELECT for loans and to remit the premiums due. Failure to do so will result in automatic waiver of coverage by LENDER and no subsequent losses will be paid on those accounts.
- g. On or prior to the date of termination, SAFECO SELECT shall deliver to LENDER all remaining data processing records and a summary or statement of insurance in force relating to mortgage loans subject to this Agreement. Such statement of insurance in force shall properly reflect the status of each Eligible Loan (as identified by category in Schedule B attached hereto) as of the termination date of this Agreement. Such LENDER data will be provided in SAFECO SELECT'S format with appropriate file descriptions. Such records and/or statement of insurance in force as referred to herein shall mean only such records of insurance as are maintained in the normal course of operations of SAFECO SELECT pursuant to its obligations under this Agreement. SAFECO SELECT expressly agrees that all data relating to and necessary for the performance of tracking services under this Agreement will be provided to the LENDER upon termination of this Agreement and that SAFECO SELECT will cooperate in good faith to provide information in a timely manner for the termination and transfer of tracking responsibilities under this Agreement.

14. **NOTICES:**

All notices to be sent herein shall be to the addresses shown on Page 1 of this Agreement unless otherwise amended by a written notice, signed by an authorized officer of SAFECO SELECT or LENDER, and shall be sent by overnight delivery service, or certified or registered mail and deemed received when signed for.

15. NO WAIVER OR ESTOPPEL:

No waiver by either party of any act or failure to act on the part of either party in violation of this Agreement shall stop or bar the other party from asserting a similar act or omission to act as a breach or other violation of this Agreement at a later date.

16. AMENDMENTS:

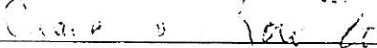
This Agreement may be amended only by an instrument signed by authorized officers of both parties, which expresses by its terms, an intention to modify this Agreement prior to such amendment.

17. ARBITRATION:

- a. As a condition precedent to any right of action hereunder, any dispute or difference between SAFECO SELECT and LENDER relating to the interpretation or performance of this Agreement, including its formation or validity, or any transaction under this Agreement, whether arising before or after termination, shall be submitted to arbitration.
- b. Any arbitration pursuant to this Agreement will be conducted by and in accordance with the rules of the American Arbitration Association. Unless otherwise agreed, there shall be a minimum of three arbitrators. The arbitrators shall report their award and the reasons for that award in writing. The award of the arbitrators, or of the majority of them, shall be final and binding, and judgment upon the award rendered may be entered in any federal or state court having jurisdiction. Any arbitration must be commenced by delivery to the other party of a written demand for arbitration setting forth in detail the claim or controversy to be arbitrated.
- c. The arbitration shall take place in a mutually agreed upon location.
- d. Interpretation of this agreement shall be subject to the laws of the State of Ohio
- e. This Section shall remain in full force and effect in the event any other provision of this Agreement shall be found invalid or non-binding.

IN WITNESS WHEREOF, SAFECO SELECT and LENDER have executed this Agreement, respectively, on the dates herein below written.

SAFECO SELECT INSURANCE SERVICES, INC.

By 

Title SENIOR VICE PRESIDENT

Date APRIL 4, 1997

FIFTH THIRD BANK

By 

Title VICE PRESIDENT

Date APRIL 3, 1997

SCHEDULE A

BASIC OPERATING PROCEDURES

These operating procedures will outline the working relationship between LENDER and SAFECO SELECT. SAFECO SELECT and LENDER agree to the following Basic Operating Procedures. Said procedures will be modified only with prior notice and mutual agreement or consent.

I. IMPLEMENTATION

LENDER will:

- Complete a client profile
- Provide list of payee identification
- Document loan classes to be tracked by completing Schedule B of this contract
- Provide copies of current tracking procedures
- Provide SAFECO SELECT with full master file tape which will include:
 - complete required and alternative insurance information at the time of conversion
 - complete record of each existing loan as of the effective date of conversion
- Establish Controlled Disbursement Account and DDA and provide SAFECO SELECT drafting authority, wire transfer capabilities, and electronic reconciliation

SAFECO SELECT will:

- Convert LENDER data base during a pre-defined period
- Provide periodic updates of conversion status
- Create a cross reference file from LENDER payee identification to SAFECO SELECT payee codes for initial load of information

II. LOAN SET-UP / MAINTENANCE

LENDER will:

- Be responsible for all loan maintenance updates on loans, which includes, but is not limited to, loan status, new loans, stop codes, mailing address, property address, escrow status, flood required, etc.
- Be responsible for setup of new loan hazard information as escrow or non-escrow
- Forward copies of policies in new loan package to SAFECO SELECT

SAFECO SELECT will:

- Post loan updates within 48 hours of receipt
- Monitor and report to LENDER all loans which have no insurance

III. DOCUMENT HANDLING

LENDER will:

- Forward hazard mail to SAFECO SELECT on a daily basis

SAFECO SELECT will:

- Image all insurance documents
- Return non-tracking documents (title insurance, claim settlements, loan payment, PMI, etc.) within 24 hours
- Destroy all documents after processing

IV. INSURANCE ADMINISTRATION

LENDER will:

- Refrain from making insurance updates on its loan servicing system to ensure data base integrity

SAFECO SELECT will:

- Match insurance documents and update the appropriate loans
- Create insurance transactions to update LENDER's data base
- Mark unmatched insurance documents as "UTL" (Unable To Locate) for subsequent passes against new and changed loans
- Provide timely notification to borrowers of expiration, cancellation or no receipt of required insurance using a notice and timing schedule agreed upon between LENDER and SAFECO SELECT
- Issue alternative insurance for any period where the borrower fails to provide acceptable evidence of required insurance
- Conduct audits to ensure processing accuracy
- Keep insurance history records updated with all required insurance documents which are received and can be matched to followed loans

- Purge any documents that have not been matched to an existing loan after an identified period of time as agreed between SAFECO SELECT and LENDER
- Not accept any insurance document which fails to correctly identify the property secured by a loan

V. ESCROW PROCESSING

LENDER will:

- Inform SAFECO SELECT promptly if an escrow account becomes non-escrow or if a non-escrow account becomes escrow
- Work transaction and disbursement reject reports on a daily basis, re-entering transaction with appropriate overrides and/or corrections
- Apply refund checks from the insurance carriers to the escrow account
- On a daily basis, notify SAFECO SELECT electronically which premium requests are approved and denied
- Fund the Controlled Disbursement Account for approved disbursement requests and confirm the dollar amount funded via facsimile to SAFECO SELECT each day by 2:00 p.m. PST

SAFECO SELECT will:

- Disburse funds to insurance carriers via check, Federal Wire Transfer or ACH based transaction
- Re-enter transactions from reject reports received from LENDER
- Image refund checks and note the information on system, and forward them to LENDER
- Balance wire funds received to the premiums disbursed and mail disbursement check each day

VI. LOAN TRANSFERS AND ACQUISITIONS

LENDER will:

- Provide timely notification of pending loan sales and acquisitions to SAFECO SELECT
- Provide SAFECO SELECT with a data file of loans sold or acquired, to include effective date of transfer or acquisition, and the name of the buyer's (transfer) or seller's (acquisition) servicing institution

SAFECO SELECT will:

- Add new loan information and send Mortgage Change Notification for loan acquisitions at no charge
- Provide the new servicer with hazard insurance data in SAFECO SELECT's standard insurance transaction format with appropriate file descriptions at no additional charge
- Requests for formats other than SAFECO SELECT's standard transaction format will be created at SAFECO SELECT's prevailing rates for expenses incurred to create and furnish such data
- Send Mortgage Change Notifications for loan service sale/transfer to the insurance carriers (if available) for a nominal fee for postage and supplies

VII. TELEPHONE CUSTOMER SERVICE

LENDER will:

- Field all phone calls and correspondence concerning losses
- Field all non-hazard insurance related phone calls (i.e. payment inquiries, payoff quotes, escrow analysis inquiries, etc.)
- Provide systems, programs, communication lines and staff to handle insurance inquiries listed below:
 - confirmation of premium disbursements
 - explanation of required insurance coverage
 - explanation of alternative insurance coverage
 - response to questions about notices
 - verification of coverage with carriers
 - requests for premium payments
- Coordinate and cooperate with SAFECO SELECT as necessary to achieve optimum customer service

SAFECO SELECT will:

- Forward calls and correspondence to LENDER concerning losses or non-insurance inquiries
- Maintain telephone support for LENDER's use when contacting SAFECO SELECT
- Establish and maintain systems and programs giving LENDER's customer service representatives limited access to SAFECO SELECT's tracking system via LENDER's terminals

- Provide LENDER's customer service representatives with initial training on SAFECO SELECT's systems and procedures. Follow up training will be performed as deemed necessary by LENDER and SAFECO SELECT
- Place LENDER's customer service telephone number on all notices sent to borrowers
- Coordinate and cooperate with LENDER as necessary to achieve optimum customer service

VIII. CUSTOMER CORRESPONDENCE

SAFECO SELECT will:

- Produce insurance request and coverage letters in time frames as agreed
- Produce automated notification to customers who provide inadequate insurance
- Produce force place coverage renewal notices upon expiration of current coverage

IX. LENDER SERVICE

SAFECO SELECT will:

- Provide separate toll free number for lender service
- Provide operations manuals tailored specifically to your program
- Make scheduled visits to your Loan Service Center for progress reviews
- Provide ongoing monitoring to ensure quality service

X. MANAGEMENT REPORTING

SAFECO SELECT will:

- Produce and distribute at LENDER or SAFECO SELECT's option/request, the following reports:

Daily

Journal Report
F/O Journal Report
Check Register Report
Reissue Check Register Report
Force Order Check Register Report
Escrow Exception Report

Escrow New Loan Report
F/O Escrow Exception Report
Midterm Policy Report
Escrow Check Reissue Report
Escrow Verbal Report
F/O Escrow Pending Report
Multiple Location / Earned Premium Policy Report
New Policy Report

Weekly

Cancellation Report
Coverage Edit Report
Coverage Edit Error Report
Property Address Deficiency Report
Tracking Exception Report
Mortgagee Exception Report
High Deductible Exception Report
New Loans With No Coverage Report
Waive Coverage Report
Loan Balance > \$1 Million
Flood Deficiency Report
Invalid Mailing Address
Best Rating Exception Report
Windstorm Deficiency Report
Earned Premium Not Transmitted
Statement of Past Due Items
Named Insured Exception Report

Monthly

Coverage Deficiency Report
SAFECO Windstorm Report
Monthly Outsourcing Information Report
Monthly Force Order Activity Report

At Wire Transfer

Wire Transmission Check Register Report

Upon Request

Insurance Audit Report

SAFECO SELECT will produce other reports as requested by LENDER, including investor certification, given that SAFECO SELECT shall be entitled to reimbursement by LENDER, at SAFECO SELECT's prevailing rates, for expenses incurred by SAFECO SELECT in creating and furnishing such reports.

SCHEDULE B

ELIGIBLE LOAN CATEGORY

LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
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LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____
LOAN CATEGORY _____	, identified as _____

SCHEDULE C

OTHER TERMS AND CONDITIONS

A. COST OF SERVICES

Payment shall be made by LENDER to SAFECO SELECT for services provided hereunder as follows:

1. The sum of \$ _0.105___ per month for each active loan record as recorded by SAFECO SELECT's system as of the last day of each calendar month. Such payments are due and payable within thirty (30) days of the end of each calendar month.

SCHEDULE D

BASIC SERVICE LEVEL STANDARDS

1. SERVICE LEVEL STANDARDS:

It is hereby understood and agreed that SAFECO SELECT will provide a loan tracking service for LENDER. It is further agreed that this service will be performed in a manner equal to or better than the following standards:

A. Document update turnaround, 100% under 72 hours.

The document turnaround standard measures the period of time between receipt of documents as identified by the image date and the document update transactions are captured by the system at the time of entry.

B. Customer inquiry or complaint response 100% under 48 hours

This will measure the period of time between a receipt of a customer inquiry or complaint, whether written or verbal, and the system documented response to that complaint.

All statistics will be measured daily and reported on a cumulative monthly basis.

REVISED SCHEDULE A
BASIC OPERATING PROCEDURES
EFFECTIVE DECEMBER 7, 1998

These operating procedures will outline the working relationship between LENDER and SAFECO SELECT. SAFECO SELECT and LENDER agree to the following Basic Operating Procedures. Said procedures will be modified only with prior notice and mutual agreement or consent.

I. IMPLEMENTATION

LENDER will:

- Complete a client profile
- Provide list of payee identification
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- Provide copies of current tracking procedures
- Provide SAFECO SELECT with full master file tape which will include:
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 - complete record of each existing loan as of the effective date of conversion
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SAFECO SELECT will:

- Convert LENDER data base during a pre-defined period
- Provide periodic updates of conversion status
- Create a cross reference file from LENDER payee identification to SAFECO SELECT payee codes for initial load of information

II. LOAN SET-UP / MAINTENANCE

LENDER will:

- Be responsible for all loan maintenance updates on loans, which includes, but is not limited to, loan status, new loans, stop codes, mailing address, property address, escrow status, flood required, etc.
- Be responsible for setup of new loan hazard information as escrow or non-escrow
- Forward copies of policies in new loan package to SAFECO SELECT

Initial: CAC
SAFECO SELECT

DLB
FIFTH THIRD BANK

SAFECO SELECT will:

- Post loan updates within 48 hours of receipt
- Monitor and report to LENDER all loans which have no insurance

III. DOCUMENT HANDLING

LENDER will:

- Forward hazard mail to SAFECO SELECT on a daily basis

SAFECO SELECT will:

- Image all insurance documents
- Return non-tracking documents (title insurance, claim settlements, loan payment, PMI, etc.) within 24 hours
- Destroy all documents after processing

IV. INSURANCE ADMINISTRATION / UPDATE

LENDER will:

- Refrain from making insurance updates on its loan servicing system to ensure data base integrity

SAFECO SELECT will:

- Match insurance documents and update the appropriate loans
- Create insurance transactions to update LENDER's data base
- Mark unmatched insurance documents as "UTL" (Unable To Locate) for subsequent passes against new and changed loans
- Provide timely notification to borrowers of expiration, cancellation or no receipt of required insurance using a notice and timing schedule agreed upon between LENDER and SAFECO SELECT
- Issue alternative insurance for any period where the borrower fails to provide acceptable evidence of required insurance
- Conduct audits to ensure processing accuracy
- Keep insurance history records updated with all required insurance documents which are received and can be matched to followed loans

Initial:

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DD

FIFTH THIRD BANK

- Purge any documents that have not been matched to an existing loan after an identified period of time as agreed between SAFECO SELECT and LENDER
- Not accept any insurance document which fails to correctly identify the property secured by a loan

V. ESCROW PROCESSING

LENDER will:

- Inform SAFECO SELECT promptly if an escrow account becomes non-escrow or if a non-escrow account becomes escrow
- Work transaction and disbursement reject reports on a daily basis, re-entering transaction with appropriate overrides and/or corrections
- Apply refund checks from the insurance carriers to the escrow account
- On a daily basis, notify SAFECO SELECT electronically which premium requests are approved and denied
- Fund the Controlled Disbursement Account for approved disbursement requests and confirm the dollar amount funded via facsimile to SAFECO SELECT each day by 2:00 p.m. PST

SAFECO SELECT will:

- Disburse funds to insurance carriers via check, Federal Wire Transfer or ACH based transaction
- Re-enter transactions from reject reports received from LENDER
- Image refund checks and note the information on system, and forward them to LENDER
- Balance wire funds received to the premiums disbursed and mail disbursement check each day

VI. LOAN TRANSFERS AND ACQUISITIONS

LENDER will:

- Provide timely notification of pending loan sales and acquisitions to SAFECO SELECT
- Provide SAFECO SELECT with a data file of loans sold or acquired, to include effective date of transfer or acquisition, and the name of the buyer's (transfer) or seller's (acquisition) servicing institution

Initial: CAC
SAFECO SELECT

DLB
FIFTH THIRD BANK

SAFECO SELECT will:

- Add new loan information and send Mortgage Change Notification for loan acquisitions at no charge
- Provide the new servicer with hazard insurance data in SAFECO SELECT's standard insurance transaction format with appropriate file descriptions at no additional charge
- Requests for formats other than SAFECO SELECT's standard transaction format will be created at SAFECO SELECT's prevailing rates for expenses incurred to create and furnish such data
- Send Mortgage Change Notifications for loan service sale/transfer to the insurance carriers (if available) for a nominal fee for postage and supplies

VII. TELEPHONE CUSTOMER SERVICE

LENDER will:

- Field all phone calls and correspondence concerning losses
- Field all non-hazard insurance related phone calls (i.e. payment inquiries, payoff quotes, escrow analysis inquiries, etc.)

SAFECO SELECT will:

- Forward calls and correspondence to LENDER concerning losses or non-insurance inquiries
- Receive borrower, agent and carrier calls via toll-free lines operating through a call distribution management system
- Make outbound calls on escrowed loans to insurance agents/carriers to verify coverage when appropriate (Implementation to begin prior to the end of First Quarter 1999)
- Conduct monitoring of phone calls to ensure quality service

VIII. CUSTOMER CORRESPONDENCE

SAFECO SELECT will:

- Produce insurance request and coverage letters in time frames as agreed
- Produce automated notification to customers who provide inadequate insurance
- Produce force place coverage renewal notices upon expiration of current coverage

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SAFECO SELECT

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FIFTH THIRD BANK

IX. LENDER SERVICE

SAFECO SELECT will:

- Provide separate toll free number for lender service
- Provide operations manuals tailored specifically to your program
- Make scheduled visits to your Loan Service Center for progress reviews
- Provide ongoing monitoring to ensure quality service

X. MANAGEMENT REPORTING

SAFECO SELECT will:

- Produce and distribute at LENDER or SAFECO SELECT's option/request, the following reports:

Daily

Journal Report
F/O Journal Report
Check Register Report
Reissue Check Register Report
Force Order Check Register Report
Escrow Exception Report
Escrow New Loan Report
F/O Escrow Exception Report
Midterm Policy Report
Escrow Check Reissue Report
Escrow Verbal Report
F/O Escrow Pending Report
Multiple Location / Earned Premium Policy Report
New Policy Report

Weekly

Cancellation Report
Coverage Edit Report
Coverage Edit Error Report
Property Address Deficiency Report
Tracking Exception Report
Mortgage Exception Report

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SAFECO SELECT

MD
FIFTH THIRD BANK

High Deductible Exception Report
New Loans With No Coverage Report
Waive Coverage Report
Loan Balance > \$1 Million
Flood Deficiency Report
Invalid Mailing Address
Best Rating Exception Report
Windstorm Deficiency Report
Earned Premium Not Transmitted
Statement of Past Due Items
Named Insured Exception Report

Monthly

Coverage Deficiency Report
SAFECO Windstorm Report
Monthly Outsourcing Information Report
Monthly Force Order Activity Report

At Wire Transfer

Wire Transmission Check Register Report

Upon Request

Insurance Audit Report

SAFECO SELECT will produce other reports as requested by LENDER, including investor certification, given that SAFECO SELECT shall be entitled to reimbursement by LENDER, at SAFECO SELECT's prevailing rates, for expenses incurred by SAFECO SELECT in creating and furnishing such reports.

Initial: CAC
SAFECO SELECT

WLD
FIFTH THIRD BANK

REVISED SCHEDULE C
OTHER TERMS AND CONDITIONS
EFFECTIVE AUGUST 1, 2002

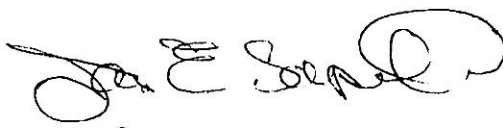
A. COST OF SERVICES

Payment shall be made by LENDER to SAFECO FIS for services provided hereunder as follows:

1. The fee per month as outlined in section 2 of this SCHEDULE C applies to each active loan record as recorded by SAFECO FIS' system as of the last day of each calendar month. Such payments are due and payable with thirty (30) days of the end of each calendar month.
2. The monthly fee is based on SAFECO FIS achieving specific lender placed premium per loan results, as identified by the SAFECO FIS system. The following schedule hereby applies:

Premium Per Loan	Monthly Outsourcing Fee per Loan
\$7.50 or higher	\$0.00
\$7.00 - \$7.49	\$0.02
\$6.00 - \$6.99	\$0.07
\$5.99 or lower	\$0.12

3. The fee will be reviewed at six (6) month intervals, using a twelve (12) month rolling average measuring actual net written premium and average monthly loans tracked. Any adjustments to the fee will be executed at the six (6) month review period, effective the month immediately following the calculation period. There will be no review or adjustment during the first six (6) months of this contract extension.


 VP
 Fifth Third Mtg Company
 8-28-02

Initial gn _____
 SAFECO FIS LENDER
 Date 8/30/02 _____

REVISED SCHEDULE C
OTHER TERMS AND CONDITIONS
EFFECTIVE DECEMBER 7, 1998

A. COST OF SERVICES

Payment shall be made by LENDER to SAFECO SELECT for services provided hereunder as follows for the combined Fifth Third and Citifed/Dayton portfolios:

1. The sum of \$.125 per month for each active loan record as recorded by SAFECO SELECT's system as of the last day of each calendar month. Such payments are due and payable within thirty (30) days of the end of each calendar month.

Initial:

CAC
SAFECO SELECT

SLD
FIFTH THIRD BANK

ADDENDUM A
MODIFICATIONS TO
TRACKING SERVICES AGREEMENT

SAFECO SELECT INSURANCE SERVICES, hereinafter referred to as "**SAFECO SELECT**," and **FIFTH THIRD BANK**, hereinafter referred to as "**LENDER**," mutually agree to the following modifications to the Tracking Services Agreement dated April 3, 1997:

1. The term of the Tracking Services Agreement dated April 3, 1997, shall be extended until April 3, 2002.
2. "Schedule A" of the Tracking Services Agreement dated April 3, 1997, is replaced by the revised "Schedule A" that is attached to this Addendum and is effective as of December 7, 1998.
3. "Schedule C" of the Tracking Services Agreement dated April 3, 1997 is replaced by the revised "Schedule C" that is attached to this Addendum and is effective as of December 7, 1998.
4. All other sections of the Tracking Services Agreement dated April 3, 1997, and any other schedules attached to it, shall remain unchanged and in full force and effect throughout the extended term of this Agreement.
5. All references to "Fifth Third Bank" or "Lender" refer to Fifth Third Bank and its affiliates and subsidiaries.

SAFECO SELECT INSURANCE SERVICES, INC.

By

Title Senior Vice President, Sales and Marketing

Date December 4, 1998

FIFTH THIRD BANK

By

Title Senior Vice President

Date December 7, 1998

ADDENDUM B
MODIFICATIONS TO
TRACKING SERVICES AGREEMENT

SAFECO SELECT INSURANCE SERVICES, "SAFECO SELECT," and FIFTH THIRD BANK, hereinafter referred to as "LENDER," mutually agree to the following modifications to the Tracking Services Agreement between SAFECO SELECT and LENDER dated April 3, 1997:

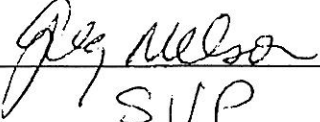
1. Effective January 1, 2002, the name SAFECO SELECT shall be amended to read as follows:

SAFECO Financial Institution Solutions, hereinafter referred to as SAFECO FIS
2. Effective August 1, 2002, the name FIFTH THIRD BANK shall be amended to read as follows:


FIFTH THIRD MORTGAGE COMPANY, hereinafter referred to as LENDER
3. The term of the Tracking Services Agreement dated April 3, 1997, shall be extended for a three (3) year term commencing August 1, 2002.
4. "Schedule C" of the Tracking Services Agreement dated December 7, 1998 is replaced by the revised "Schedule C" that is attached to this Addendum and is effective as of August 1, 2002.
5. All other sections of the Tracking Services Agreement dated April 3, 1997, and any other schedules attached to it, shall remain unchanged and in full force and effect throughout the extended term of this Agreement.

In witness whereof, SAFECO FIS and LENDER have executed this Agreement, respectively, on the dates herein below written.

SAFECO FINANCIAL INSTITUTION SOLUTIONS, INC.

By 
Title SUP
Date 8/30/02

FIFTH THIRD ~~BANK~~ Mortgage Company

By 
Title VP
Date 8-28-02

COPY

ADDENDUM C
MODIFICATIONS TO
TRACKING SERVICES AGREEMENT

SAFECO FINANCIAL INSTITUTION SOLUTIONS, "SAFECO FIS", and FIFTH THIRD BANK, "LENDER", mutually agree to the following modifications to the Tracking Services Agreement between SAFECO FIS and LENDER dated April 3, 1997:

1. The term of the Tracking Services Agreement dated April 3, 1997, is hereby extended for a one (1) year term commencing on August 1, 2005. The new extended term now expires August 1, 2006.
2. As a condition to this extension, SAFECO FIS agrees to provide a flood-tracking program for LENDER's Consumer Loan division, utilizing a Third Party Administrator to provide these services. The terms and conditions of the flood tracking services must be agreed upon by all parties, and will be added as a separate addendum to the Tracking Services Agreement.
3. All other sections of the Tracking Services Agreement dated April 3, 1997, and any other addendums or schedules attached to it, shall remain unchanged and in full force and effect throughout the extended term of this Agreement.

In witness whereof, SAFECO FIS and LENDER have executed this Agreement, respectively, on the dates herein below written.

SAFECO FINANCIAL INSTITUTION SOLUTIONS, INC.

BY:

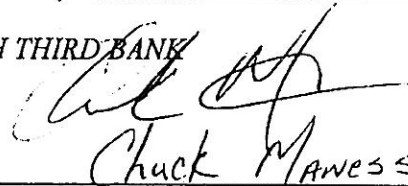


Title CEO

Date 11/1/04

FIFTH THIRD BANK

By



Title VP

Date 10/29/04

Addendum D
Effective January 1, 2005

Modifications To
Tracking Services Agreement

SAFECO FINANCIAL INSTITUTION SOLUTIONS, "Safeco FIS", and **FIFTH THIRD BANK**, "LENDER", mutually agree to the following modifications to the Tracking Services Agreement between Safeco FIS and LENDER dated April 3, 1997:

1. LENDER's Consumer Loan Division, hereinafter referred to as "CONSUMER LOANS", is hereby added as an additional party to the Tracking Services Agreement, for flood insurance tracking only. Throughout the Tracking Services Agreement, any reference to LENDER shall also include CONSUMER LOANS.
2. Schedule E, "BASIC OPERATING PROCEDURES," is hereby added as additional procedures applicable to CONSUMER LOANS only.
3. Schedule F, "ELIGIBLE LOAN CATEGORY," is hereby added as additional loan categories applicable to CONSUMER LOANS only.
4. Safeco FIS and LENDER mutually agree that Safeco FIS will engage WNC First, a third party administrator, hereinafter referred to as "ADMINISTRATOR," to carry out the flood tracking responsibilities for CONSUMER LOANS.
5. All other sections of the Tracking Services Agreement dated April 3, 1997, and any other addendums or schedules attached to it, shall remain unchanged and in full force and effect throughout the extended terms of the agreement.

In witness whereof, Safeco FIS and LENDER have executed this agreement, respectively, on the dates herein written below.

SAFECO FINANCIAL INSTITUTION SOLUTIONS, INC.

By 

Title CFO

Date 4-12-05

FIFTH THIRD BANK

By 

Title SVP

Date 4-21-05

SCHEDULE E**BASIC OPERATING PROCEDURES**

These operating procedures will outline the working relationship between LENDER and WNC, "ADMINISTRATOR". LENDER, ADMINISTRATOR and Safeco FIS all hereby agree to the following procedures and make these procedures a part of the Tracking Services Agreement, dated April 3, 1997, between Safeco FIS and LENDER.

I. Duties of ADMINISTRATOR

- A. ADMINISTRATOR shall utilize its proprietary software programs, as may be amended, modified or changed from time to time, upon 30 days prior written notice to LENDER (collectively known as "SYSTEM"), for recording insurance transactions on LENDER'S eligible loans (the "ELIGIBLE LOANS"). ELIGIBLE LOANS, as specified in schedule F, shall be defined as loans (a) serviced by LENDER beginning with the initial date of servicing by LENDER to the pay-off or maturity date of the loan (whichever comes first) Such use of our SYSTEM by LENDER may be in an outsourcing environment at a location agreed by LENDER and ADMINISTRATOR. Features and capabilities of the SYSTEM that are added subsequent to the EFFECTIVE DATE of the Agreement are not included herein. Such features and/or capabilities may be included upon agreement between ADMINISTRATOR and LENDER (for fees and charges, if any, agreed upon in writing at such time) set forth in writing signed by ADMINISTRATOR and LENDER.
- B. ADMINISTRATOR shall provide LENDER and/or LENDER's customers and borrowers (collectively "CUSTOMERS") access to various components of ADMINISTRATOR'S Internet-based solutions, such as IclientSM for LENDER to research insurance tracking activities of LENDER'S loans and iaminsuredSM for LENDER and/ or CUSTOMERS to report insurance status on LENDER'S loans.
- C. ADMINISTRATOR may modify the SYSTEM through adding, deleting and/or changing features, functions, reports and programs, upon 30 days prior written notice to LENDER. ADMINISTRATOR may also modify the Services provided, in conjunction with such SYSTEM changes, at that time. However, in no event shall any such modification serve to reduce in a materially adverse manner the services that are then actually being provided to LENDER by ADMINISTRATOR.
- D. ADMINISTRATOR shall promptly notify LENDER of any rate, policy or fee change that would affect the calculation of the insurance premium or refund. ADMINISTRATOR shall provide LENDER with at least 30 days notice before change is to become effective.
- E. ADMINISTRATOR shall provide one (1) separate and distinct post office box address for LENDER. Such address shall be used for the receipt by ADMINISTRATOR of DOCUMENTS addressed to LENDER which pertain to the ELIGIBLE LOANS.
- F. ADMINISTRATOR shall open, prep, and batch all insurance documents ("DOCUMENT") received from LENDER or LENDER'S customers ("CUSTOMERS") insurance carriers or flood vendors on ELIGIBLE LOANS. ADMINISTRATOR and LENDER shall agree upon terms in which to process these documents and formalize these terms in a separate operations procedure manual.
- G. ADMINISTRATOR shall return to LENDER, on regularly scheduled shipment dates (no less frequently than weekly), any misdirected DOCUMENTS. However, any misdirected Checks, Drafts or Contracts received by ADMINISTRATOR, shall be forwarded to LENDER within two (2) business days after the date receipt by ADMINISTRATOR, via first class mail. DOCUMENTS received by ADMINISTRATOR on other than a business day shall be considered

Initial

Date

Safeco FIS

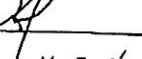
LENDER

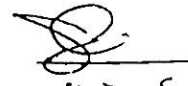
to have been received by ADMINISTRATOR on the next business day which follows the date of receipt

- H. ADMINISTRATOR shall image all DOCUMENTS that are received by ADMINISTRATOR. ADMINISTRATOR shall use all reasonable efforts to ensure the legibility of such images. After twelve (12) months ADMINISTRATOR will archive such image data files and upon request, provide to LENDER in a retrievable format.
- I. ADMINISTRATOR shall enter into the SYSTEM and match data from DOCUMENTS or Electronic Data Interchange ("EDI") that is received by ADMINISTRATOR which pertains to ELIGIBLE LOANS which have been placed on the SYSTEM. If the data is placed into the unable to locate system ("UTL"), ADMINISTRATOR will pass the data against all new and changed loan data files every scheduled processing night for a period of no less than sixty (60) days, and attempt to match the UTL data to the ELIGIBLE LOAN data file. A report will be generated and shall be provided to LENDER, at LENDER'S written direction, summarizing the data in the UTL file.
- J. ADMINISTRATOR shall generate LENDER notices ("NOTICES" or "NOTICE") according to LENDER'S insurance requirements, and shall print NOTICES on paper mutually agreed upon by LENDER and ADMINISTRATOR. LENDER shall dictate and shall be responsible for the contents of such NOTICES and written approval of notices shall be given by LENDER, but LENDER agrees that the font, style, and type of NOTICES shall be within the capabilities of the ADMINISTRATOR'S SYSTEM.
- K. ADMINISTRATOR shall fold and insert each NOTICE in an envelope that is customarily used by ADMINISTRATOR and mail each such NOTICE to the addressee via first class mail.
- L. ADMINISTRATOR shall print evidence of coverage ("EVIDENCE") at the end of the NOTICE cycle. The ADMINISTRATOR shall place coverage with a carrier / market that maintains an AM Best Rating of A- / 6. The NOTICE cycle is comprised of one or two notices as agreed upon by LENDER and ADMINISTRATOR in the LENDER setup process. The NOTICE cycle matrix addendum is constructed in the LENDER setup process will define the notice text, number of notices for each exception reason, and the intervals / duration that each notice cycle will encompass.
- M. ADMINISTRATOR shall mail the EVIDENCE in an envelope that is customarily used by ADMINISTRATOR to the addressee via first class mail. At LENDER'S option, EVIDENCE may be sent via certified mail. LENDER will pay the expense associated with the certified mail process if this option is selected.
- N. ADMINISTRATOR shall provide a telephone number that LENDER or CUSTOMERS may use to transmit DOCUMENTS via facsimile to ADMINISTRATOR.
- O. ADMINISTRATOR shall provide a toll-free number for LENDER and CUSTOMERS that shall be used for customer service. Customer Service shall be available from 8:30am to 6:00pm Eastern Standard Time, Monday through Thursday, and from 8:30 am to 4:00pm Eastern Standard Time on Friday, excluding holidays observed by ADMINISTRATOR. At the written request of LENDER, the schedule of holidays observed by ADMINISTRATOR shall be provided to the LENDER at the beginning of each calendar year.
- P. ADMINISTRATOR shall make outbound telephone calls to LENDER'S customers, insurance agents, or insurance companies as LENDER deems necessary who appear on the ADMINISTRATOR'S loan exception report in stage 1 (1st notice stage) in order to resolve uninsured or under-insured loan deficiencies. The CALL PROGRAM shall consist of three (3) attempts to the CUSTOMER insurance agents or insurance companies, ending with the first contact with the CUSTOMER insurance agents or insurance companies.

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Date


4-12-05
Safeco FIS


4-21-05
LENDER

Q. ADMINISTRATOR shall provide, via hard copy or electronic delivery, customary reports available from the SYSTEM, at the standard production frequency. Hard copy reports shall be printed on the paper stock customarily used by ADMINISTRATOR. ADMINISTRATOR will work with LENDER to develop the reporting delivery mechanism that best fits the LENDER'S requirements including electronic delivery via E-mail or FTP processes. Standard reports include:

1) Monitored Loans Report

Complete listing of all loans / properties currently monitored on our system and the tracking status of each property.

2) Uninsured New Loans Report (Automated reporting only.)

Complete listing of loans / properties added to our tracking system that have been reported as "new" via tape or electronic interface and do not have current insurance information applied. This insurance "category" allows forty-five (45) days from the loan open date reported to begin tracking insurance requirements. Specific reporting procedures will be defined in a separate operations documentation.

3) Unreported Flood Zone Report

Complete listing of loans / properties reported to ADMINISTRATOR without the flood zone information for tracking. Flood insurance requirements are not being monitored for these properties. The Coverage Guarantee Endorsement protection along with all other protection under the master certificate issued by ADMINISTRATOR does not apply to these loans / properties for flood losses.

4) Waived Insurance Requirements Report

Complete listing of loans / properties reported to ADMINISTRATOR with WAIVED insurance requirement(s). The Coverage Guarantee Endorsement protection along with all other protection under the master certificate issued by ADMINISTRATOR does not apply to these loans / properties for losses.

5) \$0.00 Balance Report

Complete listing of loans on our tracking system with a loan balance equal to \$0.00. Exception notices are not generated for loans with a \$0.00 balance.

6) Paid Out Loan Report

Complete listing of loans reported as paid off within the last month.

7) Purged Loans Report


Complete Listing of paid out loans / properties purged from the ADMINISTRATOR tracking system. This report reflects loans / properties that have a paid loan status of more than ☐ 30 ☐ 60 ☐ 90 ☐ days old. These loans / properties are no longer housed on our tracking system and insurance requirements are no longer being monitored. The Coverage Guarantee Endorsement protection along with all other protection under the master certificate issued by ADMINISTRATOR does not apply to these loans / properties for losses.

8) Notice Production Report

Complete Listing of loans which are active in a notice cycle. Report options include separate reports in stage one through three or a composite report of all notice activity.

Initial

Date



4-12-05
Safeco FIS


4-21-05
LENDER

- H. LENDER acknowledges that its policies and procedures are consistent with the insurance requirements as provided to ADMINISTRATOR.
- I. Notify ADMINISTRATOR of any error in any report generated by ADMINISTRATOR within fifteen (15) business days after receipt of such report. Upon notification by LENDER, ADMINISTRATOR shall deliver corrected report to LENDER within fifteen (15) business days. It is agreed that failure by LENDER to give ADMINISTRATOR such notice within the time period detailing the specific error shall relieve ADMINISTRATOR of its responsibility to correct such error and rerun such report.
- J. Promptly inform ADMINISTRATOR in writing of required changes to and/or amendments to Schedule F and any INSURANCE REQUIREMENTS.
- K. Pay ADMINISTRATOR all invoices within forty-five (45) business days of ADMINISTRATOR'S premium billing report, unless subject to a good faith dispute. Failure to remit premiums as requested in this Section shall be deemed a breach of a material term of this Agreement, and will be deemed a waiver of insurance coverage on those loans for which insurance premium has not been received.
- L. Any expenses incurred in fulfilling LENDER'S responsibilities under the Agreement shall be the responsibility of the LENDER unless otherwise noted herein.
- M. LENDER acknowledges that it has the authority to enter into this Agreement.

Initial

Date


4-12-05
Safeco FIS


4-21-05
LENDER


SCHEDULE F


ELIGIBLE LOAN CATEGORY

1. 1 – 4 Family Structures pledged as security for a Second Mortgage or Home Equity Line of Credit (HELOC's).

Initial

Date


4-12-05
Safeco FIS


4-21-05
LENDER